

ORIGINAL



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OPEN MEETING AGENDA ITEM

E-01933A-11-0055

Jennifer Ybarra

From: John Hannan [jhannan@cornerstoneelectricaz.com]
Sent: Monday, March 26, 2012 2:31 PM
To: Nancy LaPlaca
Cc: Jennifer Ybarra
Subject: RE: ACC No vote on TEP DSM Plan 2012
Attachments: TEP DSM 2012 Funding Letter.pdf; Master List of Lighting Retrofits Proposed CompletedV1.pdf

RECEIVED
2012 MAR 28 A 9:54
AZ CORP COMMISSION
DOCKET CONTROL

Nancy & Jennifer,

Thank you for your email Nancy. Attached are PDF copies of the original letter sent to you (slightly amended) and our figures for the data you requested regarding payback time. In my initial correspondence to the Commission, I incorrectly stated that we were, "saving TEP ratepayers nearly \$500,000 in annual energy costs." That has been corrected in the attached letter to say we have saved TEP ratepayers \$273,428 in annual energy costs. My apologies, the original figure was my mistake made in haste to quickly communicate with the Commission.

Please let me know how we can support a positive and equitable solution to this issue.

Sincerely,

John Hannan
Cornerstone Electrical Contractors, LLC
1016 East Pennsylvania Street Suite 305
Tucson, Arizona 85714-1671
(520) 733.6250 Office
(520) 733.6933 facsimile
(520) 349.4821 mobile
ROC 208930 K-11

Arizona Corporation Commission

DOCKETED

MAR 28 2012

DOCKETED BY

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From: Nancy LaPlaca [mailto:NLaPlaca@azcc.gov]
Sent: Monday, March 26, 2012 10:10 AM
To: 'John Hannan'
Cc: Jennifer Ybarra
Subject: RE: ACC No vote on TEP DSM Plan 2012

thanks for the excellent letter below also. can I get data from you pls re payback times? you will need to docket so we don't violate ex parte. jennifer can explain, pls call her 602-542-3682.

From: John Hannan [mailto:jhannan@cornerstoneelectricaz.com]
Sent: Thursday, March 22, 2012 11:27 PM
To: Nancy LaPlaca
Subject: ACC No vote on TEP DSM Plan 2012

Nancy,

It was great to have you in Tucson at the PCIC meeting tonight, I only wish you'd been given much more time for your presentation, you have amazing information to share. I am the lone attendee who works for a small electrical contracting firm promoting the TEP Energy Efficiency incentives to Tucson businesses.

My focus for the past two years has been working with local companies small and large to improve energy efficiency utilizing TEP's incentive program. Our focus has been in lighting. So the news of last Friday's vote by the Commission hit me where it hurts, the pocketbook. So today I channeled my energy into an email to the Commissioners and other elected officials serving the Greater Tucson area. The letter below is a plea to the Commission and TEP to reach agreement quickly on the proposed DSM Program. While my sense is that it will fall on deaf ears, it was a cathartic exercise.

With that said, I wanted to share that email, and ask what can be done beyond email to influence a positive outcome.

Thanks Again Nancy!

John Hannan
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ROC 208930 K-11

EMAIL TO COMMISSION:

Ladies and Gentlemen,

I am writing to request the Arizona Corporation Commission (ACC) and Tucson Electric Power (TEP) reach an immediate resolution on the budget impasse for TEP's Demand Side Management (DSM) Program. It is my understanding that neither the 2011 nor 2012 TEP DSM budgets have been approved by the ACC. Consequently, effective March 19, 2012, TEP placed its DSM Program on indefinite hold.

This hold has a devastating impact on the momentum of TEP's DSM Program, Jobs, TEP ratepayers and the ACC's stated goal to achieve annual energy savings of at least 22% by 2020. Putting a hold on this program will surely impact TEP's future success in reaching its energy saving goals. When the program exhausted funding in the summer of 2010, I believe it had a direct impact on TEP Trade Ally participation, consequently impacting TEP's 2011 goals negatively. In other words stops in the program will negatively impact program participation going forward.

As an Electrical Contractor and one of many TEP Trade Allies, we have reduced commercial energy usage, saving TEP ratepayers nearly \$500,000 in annual energy costs. Until this moment, we were in the process of proposing significant energy savings to a number of local businesses, including a 24 story, 286,000 square foot downtown high-rise. This hold has a significant impact on TEP ratepayers, the ACC's stated goals, jobs, our business and the economy.

We are now prevented from incenting business owners to reduce their energy consumption. Bottom-line, as a small business, this has a significant and negative impact on our revenues, and more personally, has a direct impact on jobs at Cornerstone Electric.

I would urge TEP and the ACC to immediately come together to resolve the budgetary impasse, and pave the way for jobs and the ACC required energy savings. Without immediate resolution there will be missed opportunities affecting all of us moving forward.

cc:

Senator Linda Lopez	Representative Bruce Wheeler
Senator Paula Aboud	Commissioner Paul Newman
Senator Frank Antenori	Commissioner Brenda Burns
Senator Olivia Cajero Bedford	Commissioner Gary Pierce
Senator Al Melvin	Commissioner Bob Stump
Representative Steve Farley	Commissioner Sandra Kennedy
Representative Matt Heinz	Jeff Hunter, Tucson Electric Power
Representative Terri Proud	James Green, KEMA Services, Inc.
Representative Vic Williams	

Best Regards,

John Hannan
Cornerstone Electrical Contractors, LLC
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Checked by AVG - www.avg.com
Version: 2012.0.1913 / Virus Database: 2114/4895 - Release Date: 03/26/12

Monday, March 26, 2012

Nancy LaPlaca,
Advisor to Commissioner Paul Newman, Esq.
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Dear Ms. LaPlaca,

I am writing to request the Arizona Corporation Commission (ACC) and Tucson Electric Power (TEP) reach an immediate resolution on the budget impasse for TEP's Demand Side Management (DSM) Program. It is my understanding that neither the 2011 nor 2012 TEP DSM budgets have been approved by the ACC. Consequently, effective March 19, 2012, TEP placed its DSM Program on indefinite hold.

This hold has a devastating impact on the momentum of TEP's DSM Program, Jobs, TEP ratepayers and the ACC's stated goal to achieve annual energy savings of at least 22% by 2020. Putting a hold on this program will surely impact TEP's future success in reaching its energy saving goals. When the program exhausted funding in the summer of 2010, I believe it had a direct impact on TEP Trade Ally participation, consequently impacting TEP's 2011 goals negatively. In other words stops in the program will negatively impact program participation going forward.

As an Electrical Contractor and one of many TEP Trade Allies, we have reduced commercial energy usage, saving TEP ratepayers \$273,428 in annual energy costs to date. Until this moment, we were in the process of proposing significant energy savings to a number of local businesses, including a 24 story, 286,000 square foot downtown high-rise. This hold has a significant impact on TEP ratepayers, the ACC's stated goals, jobs, our business and the economy.

We are now prevented from incenting business owners to reduce their energy consumption. Bottom-line, as a small business, this has a significant and negative impact on our revenues, and more personally, has a direct impact on jobs at Cornerstone Electric.

I would urge TEP and the ACC to immediately come together to resolve the budgetary impasse, and pave the way for jobs and the ACC required energy savings. Without immediate resolution there will be missed opportunities affecting all of us moving forward.

Sincerely,

John Hannan,
Cornerstone Electrical Contractors, LLC
1016 East Pennsylvania Avenue Suite 305
Tucson, Arizona 85714
jhannan@cornerstoneelectricaz.com
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(520) 349.4821

ID#	Company	Address	kW	kWh	Annual Savings	Project Cost	Rebate	Customer Payment	ROI
2827	La Mesa RV Center	3255 E Irvington Rd	131.11	572,702.00	\$60,483.02	\$100,040.60	\$85,362.73	\$14,677.87	0.24
2394	Ascent Aviation Services Corp	6901 S. Park Ave	101.1	483,419.00	\$51,053.88	\$9,920.95	\$3,928.86	\$992.09	0.02
2640	Schnipke Southwest, LLC	6350 E. Littletown	42.65	213,583.00	\$22,556.47	\$47,311.20	\$33,819.55	\$13,491.65	0.60
1570	Salpointe High School	1545 E Copper St	32.50	135,570.23	\$14,317.57	\$27,511.80	\$18,825.96	\$8,685.85	0.61
1008	WW Williams	1375 W Glenn Street	33.59	95,216.63	\$10,055.83	\$24,245.59	\$14,282.49	\$9,963.09	0.99
2139	Bargain Warehouse	5670 S Nogales Hwy	24.29	91,684.42	\$9,682.79	\$25,576.67	\$13,749.29	\$11,827.38	1.22
2445	Ascent Aviation	7001 S. Park Ave	19.53	85,325.00	\$9,011.12	\$52,842.74	\$47,558.47	\$5,284.27	0.59
1997	Beaudry RV Event Center	5120 S Julian Drive	39.63	72,871.24	\$7,695.93	\$124,982.50	\$10,930.69	\$114,051.82	14.82
3113	Flowing Wells High School Gymnasium	3725 N Flowing Wells Rd	21.15	65,982.00	\$6,968.33	\$18,479.82	\$9,897.26	\$8,582.56	1.23
1765	Cactus Ace Hardware	1899 W Grant Road	13.09	56,384.64	\$5,954.78	\$19,118.93	\$8,346.87	\$10,772.06	1.81
1297	Faith Community Church	2551 W Orange Grove Rd	20.21	54,889.33	\$5,796.86	\$18,459.86	\$7,547.37	\$10,912.49	1.88
1211	Ace Hardware	2185 E. Irvington Rd.	11.55	48,048.00	\$5,074.35	\$16,899.77	\$7,207.20	\$9,692.57	1.91
1865	Sun Quest Apartments - Phase II	345 N Pantano	10.00	44,780.74	\$4,729.29	\$4,172.03	\$2,693.66	\$1,478.37	0.31
1233	St Gregory High School	3231 N Craycroft	17.82	42,369.60	\$4,474.65	\$12,930.49	\$5,169.34	\$7,761.15	1.73
1515	Woodcraft	6230 N Oracle #100	7.35	35,197.34	\$3,717.19	\$6,086.00	\$5,256.39	\$829.61	0.22
2078	AAA Landscape	4742 N Romero Rd	10.87	34,280.38	\$3,620.35	\$7,400.66	\$4,660.78	\$2,739.88	0.76
1236	St Michael & All Angel's Church and School	602 N Willmot Road	9.47	30,096.77	\$3,178.52	\$7,839.72	\$4,220.84	\$3,618.88	1.14
2004	Beaudry RV Collision Center	5970 S Palo Verde	6.82	29,767.92	\$3,143.79	\$14,019.77	\$4,268.10	\$9,751.67	3.10
2330	Blackledge Apts (Woodbridge South)	2950 N Balboa Ave	6.06	26,129.38	\$2,759.52	\$2,738.96	\$1,190.63	\$1,548.33	0.56
1339	Universal Cryogenics	1815 W. Gardner Ln.	7.44	25,147.20	\$2,655.80	\$5,852.94	\$3,772.08	\$2,080.86	0.78
1290	Zia Records	3370 E Speedway	4.74	23,501.40	\$2,481.98	\$3,643.43	\$3,173.09	\$470.35	0.19
2329	Blackledge Apts (Woodbridge North)	251 W Blackledge Dr	5.39	23,355.70	\$2,466.59	\$2,507.91	\$1,226.93	\$1,280.98	0.52
1877	TDI International, Inc	3351 E Hemisphere Loop	7.38	22,870.85	\$2,415.39	\$7,997.72	\$3,263.50	\$4,734.22	1.96
1881	Game Stop # 87	5620 E Broadway Blvd	2.52	21,265.09	\$2,245.81	\$2,491.83	\$2,242.65	\$249.18	0.11
1307	Futon Furniture Gallery	2229 E Broadway Blvd	2.38	20,791.68	\$2,195.81	\$2,134.25	\$1,920.82	\$213.42	0.10
1620	Arizona Virtual Academy	4605 S Palo Verde Ave	4.65	20,082.00	\$2,120.90	\$3,715.64	\$2,939.33	\$776.32	0.37
1897	Game Stop #868	405 E. Wetmore	2.37	19,800.77	\$2,091.16	\$1,828.66	\$1,645.80	\$182.87	0.09
2063	Big Sky Motorcycles	313 W Sahuaro St	4.49	19,296.58	\$2,037.91	\$4,682.40	\$2,872.25	\$1,810.15	0.89
2326	Blackledge Apt (Twinbridge North)	201 W Blackledge Dr	5.15	18,206.45	\$1,922.78	\$4,566.70	\$2,455.33	\$2,111.42	1.10
2328	Blackledge Apts (Twinbridge South)	2929 N Castro Ave	3.90	16,685.76	\$1,762.18	\$3,455.42	\$2,318.36	\$1,137.06	0.65
2339	Protein Technologies	4675 South Coach Dr	6.16	16,022.24	\$1,692.11	\$10,733.38	\$2,379.87	\$8,353.51	4.94
2365	Mayfield Florist, Inc	7181 E Tanque Verde Rd	3.71	15,150.30	\$1,600.02	\$4,238.40	\$2,257.07	\$1,982.33	1.24
1120	Rocks & Ropes	330 S Toole Ave # 400	2.82	14,370.72	\$1,517.69	\$3,663.22	\$2,155.61	\$1,507.61	0.99
2653	Vineyard City Church	3150 E. Fort Lowell Road	5.86	12,854.00	\$1,357.55	\$4,910.00	\$1,928.16	\$2,981.84	2.20
3263	Loomis	231 West Alturas	2.35	11,667.00	\$1,232.17	\$1,798.66	\$1,542.16	\$256.50	0.21
1561	Game Stop #1778	2910 N. Campbell	1.87	10,872.42	\$1,148.24	\$1,554.03	\$1,398.62	\$155.40	0.14
1963	Papago Trading Post Inc. (Ace)	1217 W. Saint Marys Rd	2.27	8,999.95	\$950.48	\$1,344.23	\$1,209.81	\$134.42	0.14
1796	The UPS Store	1830 E. Broadway Suite 124	1.79	7,866.56	\$830.79	\$1,522.87	\$1,130.46	\$392.41	0.47
1348	Hirsh's	2934 E. Broadway	2.21	6,907.68	\$729.52	\$1,315.71	\$674.11	\$641.60	0.88
3346	The UPS Store	3938 E. Grant Road	1.25	6,851.00	\$723.63	\$1,186.97	\$1,027.79	\$159.18	0.22
1347	The Chamberlain Group Inc	6050 S. Country Club Rd, Ste 180	1.64	6,586.58	\$695.61	\$1,890.03	\$987.99	\$902.05	1.30
1850	Tucson Community School	2109 E. Hedrick Dr	2.31	6,581.95	\$695.12	\$2,538.54	\$575.60	\$1,962.94	2.82
1292	Speed Mail	3400 E. Speedway, Suite 118	0.189	6,508.84	\$687.40	\$1,436.87	\$976.33	\$460.54	0.67
1560	Game Stop #4710	4811 E. Grant Ste 105	1.08	5,080.61	\$536.56	\$1,553.82	\$711.06	\$842.76	1.57
1439	Mostly Books	6208 E. Speedway	0.49	2,325.65	\$245.61	\$816.75	\$348.85	\$467.90	1.91
1320	Threads and More Thrift Store	2239 E. Broadway Blvd.	0.37	1,084.82	\$114.57	\$210.11	\$162.72	\$47.39	0.41
TOTAL			645,569	2,589,031.42	\$273,427.62	\$624,168.55	\$341,212.83	\$282,956.80	1.03